

WASHINGTON STATE LIQUOR CONTROL BOARD

REPORT OF OPERATIONS



DEFENDANT'S EXHIBIT

CASE
NO. C04-0360P

EXHIBIT 511
NO.

JULY 1, 1990
TO
JUNE 30, 1991

Resp to Costco RFP
2128

TX511-001

Board employees, industry members and the public can review and copy posted prices on file during normal business hours.

An administrative penalty schedule was developed and is in the process of being refined. So far, it has proven very successful in standardizing the recommended penalties for violations of liquor laws.

This year we were able to update a poster on how to check a Washington State Driver's License in both English and Spanish and in four Asian languages (Cambodian, Laotian, Vietnamese and Korean).

Licensing

There are 10,293 retail licensees statewide and 274 non-retail licensees statewide. Agents conducted 57,432 inspections of licensed premises including an in-depth annual inspection of each premises as part of the liquor license renewal process.

Additionally, during Fiscal Year 1991 Liquor Control Agents conducted 5,594 investigations of applications for new annual licenses, transfers of existing licenses, changes of location, changes of corporate officers and managers, and one-time special occasion licenses. Agents also reviewed 23,027 banquet permit applications, making spot inspections on those that appear questionable.

Enforcement Statistics

The two major violations as well as the two primary types of complaints received continue to be: Sale of liquor to apparently intoxicated persons and sale of liquor to minors.

CORRECTIVE ENFORCEMENT ACTIONS:

Administrative violation tickets		
Observed	218	
Referred	194	
TOTAL ADMINISTRATIVE VIOLATIONS		412
Written warnings		1,011
Verbal Warnings		1,506
Total Corrective Actions		2,929

COMPLAINTS RECEIVED AND INVESTIGATED:

Citizen complaints	1,820
Law enforcement complaints	775
Total Complaints Received and Investigated	2,595

During FY 91 30,359 pages of price postings were copied by industry members and the public.

Revenue collected from these copies totaled \$ 3,073.75.

CRIMINAL ENFORCEMENT ACTIVITIES:

Number of persons arrested 693
Number of search warrants 1

LIQUOR SEIZED (LITERS) 9,679

Regulatory Management Section

One of the main responsibilities of the Regulatory Management Section is to review, work up and approve or disapprove all price postings filed by wholesalers and suppliers in order to ensure prices meet statutory and regulatory requirements. This includes, but is not limited to:

1. ensuring that prices are not disruptive to the market; or,
2. below cost plus 10% of acquisition cost.

Price postings also allow for a check to insure that:

3. products offered for sale have received label approval,
4. products offered for sale are in approved package/container sizes, and
5. only licensed entities offer beer and wine for sale in the state.

Up to 17 brands and 42 container sizes can be listed on beer posting forms. Up to 11 brands and 15 container sizes can be listed on wine posting forms.

During FY 91, the number of price posting forms reviewed, worked up and filed by division personnel are as follows:

		BEER POSTINGS	WINE POSTINGS	TOTAL
July	90	631	3,288	3,919
August	90	628	3,249	3,877
September	90	581	2,269	2,850
October	90	673	2,920	3,593
November	90	817	2,010	2,827
December	90	836	2,570	3,406
January	91	2,160	5,430	7,590
February	91	787	2,763	3,550
March	91	861	2,031	2,892
April	91	908	2,380	3,288
May	91	784	2,544	3,328
June	91	741	2,726	3,467
TOTAL		10,407	34,180	44,587